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Cost of Senate Immigration Bill Put at \$126 Billion

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The Senate's embattled immigration bill would raise government spending by as much as \$126 billion over the next decade, as the government begins paying out federal benefits to millions of new legal workers and cracks down on the border, a new Congressional Budget Office analysis concludes.

Law enforcement measures alone would necessitate the hiring of nearly 31,000 federal workers in the next five years, while the building and maintenance of 870 miles of fencing and vehicle barriers would cost \$3.3 billion. Newly legalized immigrants would claim nearly \$50 billion in federal benefits such as the earned income and child tax credits, Medicaid, and Social Security.

The CBO report is the most detailed analysis to date of legislation that has divided the Republican Party, energized millions of Latinos, and become a focal point of congressional campaigns from southern Arizona to upstate New York. Under the legislation, passed this spring by a bipartisan Senate coalition, tough border security measures would be coupled with a path to legal work and citizenship for most of the nation's 11 million undocumented workers and a new guest-worker program for prospective migrants.

President Bush applauded its passage, but House GOP leaders have dug in their heels against it, favoring a House-passed measure that would make illegal immigrants felons, build hundreds of miles of fencing on the southern border and offer no new guest-worker programs.

The nonpartisan CBO analysis is sure to offer fuel for that fight.

"The cost aspect of the Senate plan has never been taken into consideration," said Rep. Tom Tancredo (R-Colo.), the firebrand opponent of illegal immigration who is leading the resistance to the Senate bill. "When combined with the policy implementations, this should certainly stick a fork in it."

Supporters of the legislation cautioned that the CBO's total needs to be put into context. For instance, most of the \$78 billion in discretionary spending that the Senate bill authorizes through 2016 would fund law enforcement measures that conservatives are pushing for anyway.

The CBO's five-year cost estimates include \$800 million to hire 1,000 additional Border Patrol agents; \$2.6 billion to build detention facilities for 20,000; \$3.3 billion to build and maintain 370 miles of border fencing and 500 miles of vehicle barriers along the U.S.-Mexico frontier; and \$1.6 billion to establish a computerized system to verify the eligibility of applicants for lawful employment.

"Most people recognize there is going to be a price tag for fixing a broken immigration system, no question about that," said Ben Johnson, director of the Immigration Policy Center, which favors the Senate bill. "It still comes down to the moral question of 'How do we create a new, workable immigration policy?' "

In the long run, tax revenue generated by new workers would ease the baby-boom generation's burden on Social Security and offset virtually all the additional spending, said James Horney, a senior fellow at the liberal Center on Budget and Policy Priorities.

The report "will be problematic," he said. "People who don't like the bill will jump on the 10-year number. But I hope others will look at the longer term and realize in the end, the answer is still the same. It's all a wash."

The CBO study, released Friday evening, not only details the Senate bill's cost but also enumerates the plan's impact on the population. By 2016, CBO researchers estimate, more than 16 million people would either become legal permanent residents under the bill or attain some other legal status. That total includes 4.4 million legalized undocumented workers, 3.3 million guest workers and 2.6 million family members brought in through the new programs. By 2026, the addition to the U.S. population would jump to 24.4 million.

That number is far lower than the Heritage Foundation's estimate of 103 million immigrants legalized by 2026, a calculation that has been widely circulated in conservative circles. But the CBO estimate is far higher than the 8 million figure White House officials have pointed to in their rebuttal of the Heritage study.

The report said legalized immigrants would represent "only a modest increase" in enrollment for child nutrition programs, food stamps and Medicaid. Caseloads would be 2 to 3 percent higher by 2016, the CBO said.

But that may understate the political costs of those entitlement claims. Over the next decade, legalized workers and their families, in addition to guest workers and theirs, would claim \$24.5 billion in tax refunds through the earned income credit and child credit, \$15.4 billion in Medicare and Medicaid, \$5.2 billion in Social Security benefits and \$3.7 billion in food stamps and child nutrition programs, the report estimates.

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